

July 7, 2009

We have received more than a few phone calls asking about the State health plan's recent change in third party administrators. While trying to get answers, we learned that as a result of a lawsuit when Premera took over several years ago, the State was up against a three-year deadline to select a new third-party administrator. As a result, Wells Fargo and Beach Street were awarded the contract, with Costco getting the prescription mail order contract.

Several members have expressed concern about the lack of name recognition and network providers in their communities. Pat Shier, Director of Retirement and Benefits, advises that providers do not need to belong to the network, but simply must be "willing providers". The primary difference being that a "willing provider" may, if they choose, charge more than the usual and customary charge (UCR) and may invoice the patient for the amount over the UCR, except for a few preferred provider hospitals. This was true with Premera as well. We are advised that efforts are being made to enlist more network providers.

Retirement and Benefits advises that the Plan's benefits remain unchanged and will continue as spelled out in the Plan booklet posted on their webpage. New Alaska Care welcome kits were mailed in mid June and are available online. Everyone should already have received their new ID cards and should be using them when visiting their doctor or picking up prescriptions. If you have not received your new cards, you should immediately contact Retirement and Benefits. Otherwise, according to Retirement and Benefits, the only significant change with changing the third-party administrators is the address that claims are mailed to and the phone numbers to call.

Over the years, the State has changed third-party administrators several times. Neither ACOA nor the other State unions were aware or were informed prior to the change to another Administrator. On the other hand, this has been common practice and has not been an issue in the past. There have always been a few glitches to work out in the beginning, but most rough spots were quickly smoothed out. Retirement and Benefits appears willing and ready to assist if you will contact them about problems that you encounter. **(Telephone: (907) 465-4460 Toll-Free: 1-800-821-2251)** ACOA certainly stands ready to help in anyway we can as well. In the meantime, it may be worthwhile to take a minute or two to review the information available on the Retirement and Benefits website. <http://www.state.ak.us/dr/akalaskacare.shtml>

Please call us if we can help.

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